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## Barksdale Forward, Inc.

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### Financial Statements

(Cash Basis)

Years Ended December 31, 2006 and 2005

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 9/5/07



ROBERTSON, BAILES & McCLELLAND LLP  
*Accountants and Consultants*

# **Barksdale Forward, Inc.**

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## **Financial Statements**

**(Cash Basis)**

**Years Ended December 31, 2006 and 2005**

# **Barksdale Forward, Inc.**

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## ROBERTSON, BAILES & McCLELLAND LLP

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### Independent Auditors' Report

The Board of Directors  
Barksdale Forward, Inc.  
Shreveport, Louisiana

We have audited the accompanying statements of assets, liabilities and net assets (cash basis) of Barksdale Forward, Inc. (a nonprofit organization) as of December 31, 2006 and 2005, and the related statements of support, revenue and expenses and changes in net assets (cash basis) for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

These financial statements were prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities and net assets of Barksdale Forward, Inc. as of December 31, 2006 and 2005, and its support, revenue and expenses, and the changes in its net assets for the years then ended, on the basis of accounting described in the Summary of Accounting Policies.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2007 on our consideration of Barksdale Forward, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is

an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

*Robertson, Bailer & McCalland LLP*

Certified Public Accountants

Shreveport, Louisiana  
June 19, 2007

# **Barksdale Forward, Inc.**

## **Statements of Assets, Liabilities and Net Assets (Cash Basis)**

<i>December 31,</i>	<b>2006</b>	<b>2005</b>
<b>Assets</b>		
<b>Current - Cash and cash equivalents (Notes 1 and 2)</b>	<b>\$303,365</b>	<b>\$294,549</b>
	<b>\$303,365</b>	<b>\$294,549</b>
<b>Liabilities and Net Assets</b>		
<b>Current liabilities - Withheld payroll taxes</b>	<b>\$ 571</b>	<b>\$ 389</b>
<b>Net assets - Unrestricted</b>	<b>302,794</b>	<b>294,160</b>
	<b>\$303,365</b>	<b>\$294,549</b>

*See accompanying summary of accounting policies and notes to financial statements.*

# Barksdale Forward, Inc.

## Statements of Support, Revenue and Expenses and Changes in Net Assets (Cash Basis)

<i>Years Ended December 31,</i>	<b>2006</b>	<b>2005</b>
<b>Changes in unrestricted net assets:</b>		
<b>Support and revenue:</b>		
City funding (Note 3)	\$187,000	\$187,500
Interest	6,888	3,978
Contributions	200	-
Total support and revenue	194,088	191,478
<b>Program expenses:</b>		
Consultant and expenses	96,000	88,361
Salaries and wages	31,600	27,335
Base support	8,175	6,348
Awareness and meetings	6,152	5,345
Payroll taxes	2,055	1,586
Insurance	410	420
Base closure	-	1,522
Total program expenses	144,392	130,917
<b>Management and general:</b>		
Salaries and wages	31,600	27,335
Office and equipment rental	5,196	5,196
Professional fees	4,791	4,444
Payroll taxes	2,055	1,586
Dues and subscriptions	1,949	1,780
Insurance	937	1,044
Office expenses	646	737
Miscellaneous	60	28
Total management and general	47,234	42,150
Other income (expense)	6,172	(7,835)
Increase in unrestricted net assets	8,634	10,576
Net assets, beginning of year	294,160	283,584
Net assets, end of year	\$303,794	\$294,160

*See accompanying summary of accounting policies and notes to financial statements.*

# **Barksdale Forward, Inc.**

## **Summary of Accounting Policies (Cash Basis)**

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### **Summary of Accounting Policies**

This summary of accounting policies of Barksdale Forward, Inc. (the Organization) is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management, who is responsible for their integrity and objectivity. These accounting policies conform to the cash basis of accounting and have been consistently applied in the preparation of the financial statements.

### **Nature of Business**

Barksdale Forward, Inc. was incorporated and began operations May 1, 1994. Barksdale Forward, Inc. is a nonprofit organization working for the development and promotion of Barksdale Air Force Base by educating the community about the social, cultural, and economic benefits of Barksdale Air Force Base. It also works within the framework of the Department of Defense as an educational entity describing the benefits to be obtained by continuing and building on the historical relationship between Barksdale Air Force Base and the Shreveport/Bossier communities.

### **Method of Accounting**

The Organization's policy is to prepare financial statements on the cash receipts and disbursements method of accounting (cash basis); consequently, certain revenues are recognized when cash is received rather than when earned and certain expenses are recognized when cash is disbursed rather than when the obligation is incurred. Financial statements prepared on this basis of accounting are not intended to present financial position and results of operation in accordance with accounting principles generally accepted in the United States of America.

### **Income Taxes**

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and exempt from state income tax under appropriate provisions in the laws of the State of Louisiana. The Organization is treated as a publicly supported organization, and not as a private foundation. There was no unrelated business income for the year ended December 31, 2006 and 2005. Accordingly, no provision for income taxes has been made in the financial statements.

### **Functional Expenses**

Expenses are charged directly to program services or management and general expenses in general categories based on specific identification. Payroll and related expenses are allocated equally to program services and management and general expenses.



# **Barksdale Forward, Inc.**

## **Notes to Financial Statements (Cash Basis)**

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- 1. Cash**

Included in cash as of December 31, 2006 and 2005 are interest bearing accounts totaling \$303,365 and \$283,823, respectively.
  - 2. Concentrations of Credit Risk**

During the year ended December 31, 2006 and 2005, the Organization maintained a portion of its cash balances at a financial institution located in Shreveport, Louisiana. This balance is insured up to \$100,000. The Organization's uninsured cash balance totaled \$94,040 as of December 31, 2006.
  - 3. Funding Sources**

The organization received virtually all of its funding from the cities of Shreveport and Bossier City, Louisiana during the years ended December 31, 2006 and 2005.
  - 4. Major Vendor**

The organization had one vendor during the years ended December 31, 2006 and 2005, which accounted for 50% and 51%, respectively of total expenditures.
  - 5. Related Party Transactions**

The Organization has no permanent office location of its own. It is the practice of the Organization to reimburse its President and Chief Operating Officer for a pro-rata amount of his office rent and overhead costs. The rent and overhead allocation paid in years ended December 31, 2006 and 2005, was \$5,196 and \$5,196, respectively.

The Organization paid professional fees to a partnership of which two board members are partners. Fees paid in years ended December 31, 2006 and 2005 were \$1,591 and \$1,444, respectively.

The Organization reimbursed an entity, which a board member is affiliated with, \$4,585 for airplane flight time and related expenses during the year ended December 31, 2006.



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**Independent Auditors' Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed in  
Accordance with *Government Auditing Standards***

The Board of Directors  
Barksdale Forward, Inc.  
Shreveport, Louisiana

We have audited the financial statements of Barksdale Forward, Inc. (a nonprofit organization) as of and for the year ended December 31, 2006, and have issued our report thereon dated June 19, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Organization's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial report.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Organization's financial statements that is more than inconsequential will not be prevented or detected by the Organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Organization's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our test disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2006-01.

The Organization's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. We did not audit the Organization's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the board of directors, others within the Organization, awarding agencies, and the Louisiana State Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statutes 24:513, this report is distributed by the Legislative Auditor as a public document.

*Rabecton, Baker & McCalland LLP*

Certified Public Accountants

Shreveport, Louisiana  
June 19, 2007

# **Barksdale Forward, Inc.**

## **Schedule of Current Year Findings and Responses**

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### **Summary of Audit Results**

1. The independent auditors' report expressed an unqualified opinion on the financial statements of Barksdale Forward, Inc. on the basis of accounting described in the Summary of Accounting Policies.
2. No instances of internal control deficiencies were disclosed during the examination.
3. One instance of noncompliance was disclosed during the examination.
4. No separate management letter was issued to Barksdale Forward, Inc.

### **Findings - Compliance**

#### **Failure to Comply with State Law**

2006-01 Engagement Completion

##### *Instance of non-compliance:*

Barksdale Forward, Inc. failed to comply with state law (LA. R.S. 24:513) since the annual report for the year ended December 31, 2006 was not submitted to the Louisiana Legislative Auditor's Office until after June 30, 2007, the statutory due date.

##### *Reason for non-compliance:*

Management was requested by the independent auditors to provide certain supplemental information in order to complete their examination. Due to computer software issues, this information was not provided within a time frame which would have allowed for the timely filing of the annual report.

##### *Management's plan of corrective action:*

Management agrees with this finding, but believes this is a one time occurrence beyond their control and that all future required reports will be filed on a timely basis.